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ABSTRACT

How do cable television subscribers differ from those who choose not to subscribe to cable? A study employed the uses and gratification paradigm to construct a questionnaire that solicited data from 600 television households in the Dayton, Ohio market. The sample was stratified to assure that one-third of the households had cable available but chose not to subscribe, one-third subscribed to basic cable but not to pay cable, and the remaining third subscribed to both basic and pay cable. Factor analysis, analysis of variance, and discriminate analysis were used to analyze the data. Results indicated that there were differences among the groups with regard to program choices, media usage patterns, and gratification derived from television viewing as well as demographic and lifestyle variations. Future research should consider viewing motivation typology, further refinement of the subscriber type models, and replication with geographically divergent populations. (One chart is included; 13 references are attached.) (Author/RS)

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What Do We Know About the Audience for Cable Television?

A Uses and Gratifications Analysis of Cable Decliners, Basic Cable Subscribers, and Pay Cable Subscribers

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Abstract

How do cable television subscribers differ from those who choose not to subscribe to cable? This study employed the uses and gratifications paradigm to construct a questionnaire that solicited data from 600 television households in the Dayton, Ohio market. The sample was stratified to assure that one-third of the households had cable available but chose not to subscribe, one-third of the subjects subscribed to basic cable but not to pay cable, and the remaining third subscribed to both basic and pay cable. Factor analysis, ANOVA, and discriminate analysis were used to analyze the data. There were differences among the groups with regard to program choices, media usage patterns, and gratifications derived from TV viewing as well as demographic and lifestyle variations

Three specific audience-oriented challenges face the cable television industry during the coming decade. First, cable must strive to increase the penetration rate of its basic service which, in most areas, has not been able to move much beyond 60 percent. Second, cable must increase the number of customers who subscribe to one or more of the premium or pay-per-channel services. And third, the cable industry must provide more data about its customers to current and perspective advertisers who represent an increasing source of revenue.

Researchers can help cable meet these challenges by systematically examining and comparing three distinct audiences: those who live in areas where cable television is available but choose not to subscribe to any cable service (cable decliners), those who limit their cable to the basic service available (basic cable subscribers), and those who choose one or more premium channels in addition to the basic cable service (pay cable subscribers). Nielsen now provides national ratings data for cable services but neither Nielsen nor Arbitron are prepared to give any indication as to "why" individuals watch television.

Virginia Westphal (1986) of Viacom suggests that "operators should ask whether audience ratings adequately describe the way cable viewers use their cable networks." Roger Werner (1987), formerly executive vice president of

ESPN, has stated: "To create enough audience size and loyalty to prosper in this fragmented market, a cable network must be very good at serving one well-defined audience need." And Adam Stagliano (1986), senior vice president of the Yankelovich Group, has expressed the view that cable consumers now place a "very high premium" on self-fulfillment, self-expression, and self-gratification. Stagliano has further suggested that the cable industry examine exactly what the nature of the pay experience is and what the nature of the cable viewing experience is, contrasted with their competitors.

Method

Members of three distinct groups of television viewers were asked their motivations for viewing television, the specific programs they viewed, some questions relating to their media habits, and additional questions designed to determine certain demographic variables. One objective of this study was to create a model that would differentiate among the three distinct audience groups -- cable decliners, basic cable subscribers, and pay cable subscribers -- by using groupings or typologies of television "uses" as well as information relating to consumption, demographics, and lifestyle. Multivariate statistical routines were used to analyze the data because of the complexity of the interrelationships of the variables.

The theoretical basis for this study was the "uses and gratifications" paradigm. This paradigm has been used by many researchers to explore the needs or motivations of various populations who watch television. This particular study builds on these earlier works and expands the viewing experiences to include basic and pay cable.

The early uses and gratifications studies were descriptive in nature and did not subject the data to multivariate analysis. More recently, inexpensive high-speed computers allow complex statistical routines to be performed easily and quickly. Computer algorithms have begun to replace intuitive groupings or typologies of individuals in relation to their viewing needs. This development has led to a greater emphasis on the generation of typologies of media uses by individuals.

Eight previous uses and gratifications studies conducted by other researchers were examined by the authors. (Domzal and Kernan, 1983; Greenberg, 1974; Lee and Browne, 1981; Ostman and Jeffers, 1983; Rubin, 1979; Rubin, 1983; Rubin and Rubin, 1982; Smith, 1971) Some general statements can be formulated from these studies. Audiences of school-aged children have different motives for viewing than do adult audiences. Youths use TV for "arousal" and because they have "nothing better to do" while adults view TV to meet informational needs. Most studies agree that, as age increases, people view

more for informational needs and less for relaxation and escape. In the 55+ age group, viewing to combat loneliness and for social utility purposes increases.

One motivation for viewing -- "companionship" -- appears to be related to gender; i.e., women tend to view more for that reason than do men. In terms of quantity of TV viewing, older adults watch more TV than younger adults, and those who watch more view out of "habit" and "to pass the time" while those who watch less do so for "social utility."

Demographic characteristics from previous studies suggest that cable decliners tend to be relatively young (under 25) or moderately older (over 55), while pay subscribers tended to be moderately young (under 35). Basic cable subscribers had the widest range in age (20 to 55). Other demographic factors such as the number of members in a household, the number of children in a household, the percentage of home ownership, and the amount of household income all increased from decliners to basic cable subscribers and increased further from basic cable subscribers to pay subscribers. However, the opposite direction was noted for length of residence; i.e., newer residents were more likely to subscribe to pay cable while longer term residents were more likely to be cable decliners.

These demographic factors are summarized in the following chart.

Demographic Characteristics of Three Viewing Audiences

Demographic factor	Decliners	Basic Cable	Pay Cable
Age	Under 25 & over 55	26 to 55	under 35
Income	Increases	>>>>

independent station. Consequently, cable is not required to provide a full complement of broadcasting services. (2) The demographic characteristics of the population within this SMSA are similar to the demographic characterists of the national population. (3) Cable penetration estimates within the four county SMSA were somewhat higher at 61.7 percent than the national average of 52.8 percent. (A.C. Nielsen, November 1988) This sizeable pool of cable subscribers made it easier to obtain the sample of 200 households from each of the three established groups: cable decliners, basic cable subscribers, and pay subscribers.

All cable systems within the Dayton SMSA had a capacity of at least 35 channels although not all cable systems had programs on every channel. All systems had a minimum of three pay services available to potential customers, and all systems offered a number of the more popular satellite-delivered services to basic cable subscribers.

The sample of 600 households was drawn from a sample frame of 4,000 telephone numbers generated by Survey Sampling, Inc., a professional marketing research organization. A five-part telephone questionnaire prepared by the authors of this paper and administered by the marketing firm was used to generate data. Parts One and Two explained the purpose of the study and contained screening questions which allowed the marketing firm to place respondents into one of three subject categories. Part Three dealt with program

type preferences and motivations for viewing. Part Four dealt with media use and personal lifestyle while Part Five contained demographic questions.

The selection of subjects was stratified to obtain three distinct sub-groups: cable decliners, basic cable subscribers, and pay cable subscribers. Since each sub-group consisted of 200 subjects, the sampling error was plus or minus 7 points at the 95 percent level of confidence. This sampling error is based on a 50-50 split associated with a dichotomous question, the greatest possibility for error (Wimmer and Dominick, 1987).

Results

A factor analysis of the viewing motivation statements from all 600 subjects was performed to determined if the collected data reflected the eight typologies noted earlier in the paper. Three statements for each typology had been prepared and included in the questionnaire for a total of twenty-four viewing motivation statements. For example, the first statement read "I watch television because it amuses me." Subjects responded to an eleven-point scale with 0 meaning "I never watch for that reason" and 10 meaning "I always watch for that reason."

The factor analysis of the twenty-four viewing motivation statements yielded five factors with an eigenvalue of one or more explaining 55.7 percent of

the variance. These factors included: (1) diversion with seven statements explaining 29 percent of the variance, (2) arousal with six statements explaining 4.5 percent of the variance, (3) information with four statements explaining 9.5 percent of the variance, (4) entertainment with four statements explaining 6 percent of the variance, and (5) special programs with three statements explaining 6.8 percent of the variance.

The five-fold typology generated by the data mirrors and further validates the previous research constructs of diversion, information, arousal, and entertainment. The final construct from this study, special programs, seems to reflect McQuail's (1972) construct of "personal identity."

The new construct of diversion which includes companionship and escape was used in a one-way analysis of variance with a least significant difference routine. This statistical procedure employed subscriber type as the independent variable to determine if cable decliners used television viewing more for diversion than did the other two groups. There was no significant difference at the .05 level among any of the three groups of subscribers for the diversion construct. A similar ANOVA was performed on the data from the information construct and, again, no significant difference was found among any of the three subscriber groups.

For the arousal construct, there was a significant difference between pay

subscribers and the other two groups. However, there was no significant difference between basic subscribers and cable decliners. Mean scores for this construct were: decliner = 2.27, basic = 2.35, and pay = 2.93.

The constructs of entertainment and special programming were also analyzed. Mean scores for the entertainment construct were: decliner = 5.70, basic = 5.88, and pay = 6.26. The only significant difference within this construct was between pay suscribers and decliners. Mean scores for the special programming construct were: decliner = 6.34, basic = 6.39, and pay = 6.50 and no two of these mean scores were significant.

The researchers then performed a two-way ANOVA with education as the covariate. Education had an equal or greater significance level than did subscriber type for both entertainment ($p = .000$) and arousal ($p = .001$). The variables of age and income were both significantly different between "pay cable" and "cable decliners" and between "pay cable" and "basic cable" at the $p = .05$ level.

These analyses of the data indicate that differentiation among the subscriber types is more effectively done by using demographic variables than by using the five constructs developed in this study. This statement is based on the observation that education as a covariate had a higher significance level than the main effects for all five constructs and that both age and income as covariates

had higher significance levels on three of the five constructs. Also, age and income by themselves were significantly differentiated between the subscriber types.

This study attempted to create a model that would be able to predict group membership. Discriminant Analysis was used to examine data from the program choice portion of the questionnaire as well as data pertaining to viewing motivations, media use, livestyle, and demographics as well as the five constructs created during factor analysis.

The analysis of the twenty program types yielded two 12-variable functions or equations, the first accounting for 74.1 percent of the variance and the second for 25.9 percent. The classification results indicated that, overall, 51.8 percent of the subjects were correctly identified by their suscriber characteristics. More specifically, 61.8 percent of cable decliners, 54.9 percent of basic subscribers, and 37 percent of pay subscribers were correctly identified.

The twenty-four needs statements yielded two 10-variable functions, the first accounting for 78.5 percent of the variance and the second, 21.5 percent. Overall, 45.2 percent of the subjects were correctly identified. More specifically, 49 percent of cable decliners, 37.6 percent of basic subscribers, and 49 percent of pay subscribers were correctly identified.

Eight variables were associated with media use. The discriminate analysis

yielded two four-variable functions with the first explaining 73.2 percent of the variance and second, 26.8 percent. Overall, 40.1 percent of the subjects were correctly identified. More specifically, 44.1 percent of cable decliners, 33.1 percent of basic subscribers, and 42.6 percent of pay subscribers were correctly identified.

Ten lifestyle questions were also analyzed and two eight-variable functions resulted. Overall, 41.6 percent of the subjects were correctly identified. More specifically, 39.7 percent of cable decliners, 45 percent of basic subscribers, and 40 percent of pay subscribers were correctly identified.

The discriminate analysis of the eight demographic variables yielded two four-variable functions. The first function explained 85.6 percent of the variance and the second, 14.4 percent. Using the demographic variable, 42.9 percent of the subjects were correctly identified. More specifically, 31.9 percent of cable decliners, 50 percent of basic subscribers, and 46.9 percent of pay subscribers were correctly identified.

A discriminant analysis was then run on the five constructs created by the factor analysis of the needs statements. Two four-variable functions resulted with the first function explaining 78.8 percent of the variance and the second, 21.5 percent. The construct special programming was not in this final analysis. Overall, 39.8 percent of the subjects were correctly identified. More

specifically, 36.7 percent of cable decliners, 36.1 percent of basic subscribers, and 46.5 percent of pay subscribers were correctly identified.

The group of variables that best predicted subscriber group membership was program preferences followed by viewing motivations, demographics, lifestyle, and media usage. The table below indicates which variable is the best predictor overall for each subscriber group. For example, demographics is the best predictor for basic cable. Taken by themselves, the various types of variables are more effective than chance in predicting subscriber group identity.

Discriminant Classification by Variable Type

Variable	Signif.	Overall	Decliner	Basic	Pay
Program Type	.0008	51.18	61.8	37.0	54.9
Viewing Motivation	.0418	45.17	49.0	37.0	49.0
Media Use	.0737	40.14	44.1	33.1	42.6
Lifestyles	.1500	41.66	39.7	45.0	40.0
Demographics	.1963	42.90	31.9	50.0	46.9

Discussion

The viewing motivations in this study were not, by themselves, significant in differentiating among cable decliners, basic subscribers, and pay subscribers. It appears that the respondents of this study use television much more for active than for passive motivations. Mean scores for the five motivation constructs

were: special programs = 6.51, entertainment = 5.94, information = 5.64, diversion = 3.23, and arousal = 2.52. Cable decliners as a group had the lowest mean scores on all five viewing motivation constructs. Cable decliners also viewed the least television even though media usage for this sample was not a good predictor of subscriber group type.

The inclusion of two of the twenty-four viewing motivation statements does appear to improve the classification of cases into one of the three groups with the addition of other variables. The combination of variables from different types of variables is more effective in classifying respondents than just one type of variable.

All of the discriminant analyses resulted in higher classification percentages than chance alone. This means that respondent-provided information can be used to predict group membership. The ability to predict at almost twice the probability of chance for cable decliners and approximately one and one-half times for basic and pay subscribers indicates the power of the variables selected.

Conclusion

Studies using the Uses and Gratifications paradigm have been, for the most part, analyses of individuals' responses to viewing motivation statements. This

approach may need to be expanded to include measures beyond self-reporting psychological mind sets to include the measurement of overt behaviors. Instead of responding to direct statements, the individual may respond overtly by selecting a specific genre of television programming or by other activity. Specific genre may be associated with specific viewing motivations.

Variables such as age, education, and income may have an impact on how individuals use the media and for what purpose. Different life styles may suggest different viewing motivations and the time available to spend with media. Education may be linked with interests and lifestyles. Viewing motivations may then be linked with other physiological and psychological variables.

The practice of artificially isolating the viewing motivations may be an injustice to the Uses and Gratifications-paradigm. A holistic approach including overt behavior measurement and some demographic information may better explain the "motivations" of media usage much better than self-reported measures. The Uses and Gratifications paradigm does have a place in communications research. Only with a diversity of approaches and methods can we come closer to understanding the complexities of the human communication process.

This study gives direction for future research -- the refinement of the

viewing motivation typology, further refinement of the subscriber type models, and replication with geographically divergent populations. Program type preferences need to be further studied to determine if there are more general program types that could be used to predict subscriber type, and more research also needs to be conducted on the relationships between program types, viewing motivations, demographics, lifestyles, and subscriber types.

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